SBI bid to take over companies

2972. PROF. SAURIN BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of India, Kanpur has been holding shares in Cawnpore Sugar Works Limited, Kanpur and Champarun Sugar Company Limited, Kanpur;

(b) if so, whether in a bid to take-over the management of both the companies the SBI has initiated action jointly with the British India Corporation Limited, Kanpur;

(c) whether it is fact that Government have received a number of representations from important persons including MPs in the past four months in this regard;

(d) whether the SBI has violated the policy decision of Government regarding take-over;

(e) if so, what are the details thereof; and

(f) what action has been taken against SBI in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) State Bank of India (SBI) has reported that it does not directly hold any shares in Cawnpore Sugar Works Limited, Kanpur and in Champarun Sugar Company Limited, Kanpur. However, British India Corporation Ltd. (BIC), Kanpur which enjoys substantial credit factilities from SBI and also has a controlling interest in the above two sugar companies have pledged a portion of their share holding and have transferred the same to SBI as collateral security against their credit facilities.

(b) No, Sir. SBI has however reported that it joined BIC in requisitioning an Extraordinary General Meeting of the above sugar companies in accordance with the provisions of the Companies Act.

(c) Yes, Sir.

(d) No, Sir.

(e) and (f) Do not arise.

2973. [*Transferred to the* 26th *March*, 1992]

Gold seizure at Jakhau Port, Gujarat

2974. SHRI PASUMPON THA. KIRUTTINAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Coast Guard had seized gold worth Rs. 3.5 crores at Jakhan Port in Kutch District of Gujarat;

(b) if so, what are the details thereof;

(c) whether any arrest has been made in this connection; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) On 14/02/1992, the officers of Customs of Bhuj Division who were on sea patrol, sighted a buoy off Jakhau Port of Gujarat. A gunny bag was attached to this buoy. Examination of the Gunny bag resulted in the recovery of 650 foreign marked gold biscuits weighing 75 kgs. approximately and valued at about Rs. 3.58 crores. The gold was seized. Preliminary investigations have not revealed the persons involved and, therefore, no arrest has been made.

Karnataka's proposal to enhance interest on National Savings

2975. SHRI H. HANUMANTHAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Karnataka Government have approached the Central Government for enhancement of interest on National Savings;

(b) if so, what are the details thereof;

(c) whether the proposal has been examined and a decision taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir.

(b) The Government of Karnataka had sought for increase in the rates of interest on small savings instruments consequent on the increase in rates of interest on banks deposits.

(c) Last year the rates of interest were